



PSC NEWS

Missouri Public Service Commission

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PSC APPROVES SPRINT TARIFF

Jefferson City (July 25, 2002)---The Missouri Public Service Commission has approved a tariff filed by Sprint Communications Company, L.P. (Sprint) that establishes an "Instate Access Recovery Charge" of \$1.99 a month for Sprint long-distance customers in Missouri. This monthly fee does not apply to those customers that have Sprint Missouri or Sprint Communications as their local telecommunications provider.

In a filing with the Commission, the PSC Staff recommended the tariff be approved. Staff's filing pointed to the fact that Sprint, as a competitive company, must comply with state laws which authorize rate increases with a tariff filing and notice to customers at least 10 days prior to the increase. Staff stated that, in its opinion, state laws permit the Commission to give less scrutiny to the treatment of competitive companies than it does to fully regulated entities because state laws provide for "full and fair competition to function as a substitute for regulation...."

The PSC Staff points out that more than 500 companies hold certificates to provide long distance service in Missouri. Thus, Staff states, Sprint's customers may choose to switch long distance carriers and, thereby, allow the competitive marketplace to regulate the charges. In addition, the PSC Staff notes that monthly-recurring charges and surcharges are common in the industry and that Sprint should not have different treatment based on this tariff filing.

The Commission stated in its order approving the tariff: "Because Sprint's proposed rate increase of \$1.99 applies only to a competitive service, consumers are free to obtain service from an alternative provider if they object to the rate."

Under the tariff, Sprint will establish a \$1.99 monthly service charge known as an "Instate Access Recovery Charge" for Sprint long distance customers. Sprint's tariff exempts customers who have no charges for long distance usage in a month. This exemption is accomplished by the promotional tariff and remains in effect until December 31, 2002, unless extended. The promotional tariffs filed by Sprint would also exempt its New and Existing Sprint Standard Weekends® and Sprint Standard Weekends® Option B customers. In addition, Sprint block of time customers not using any time in a given month would not be accessed the fee.

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Case No. TT-2002-1136